

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)	
GARRARD COUNTY WATER ASSOCIATION,)	CASE NO. 89-261
INC.)	

O R D E R

On September 18, 1989, Garrard County Water Association, Inc. ("Garrard") filed its revised tariff with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to the purchased water adjustment procedure. KRS 278.012 and 807 KAR 5:068.

The Commission, having reviewed the evidence of record and being sufficiently advised, is of the opinion and finds:

1. Garrard purchases its water from the city of Lancaster ("Lancaster"). Effective August 15, 1989, Lancaster increased its rate for water sold to Garrard from \$1.20 to \$1.28 per 1,000 gallons.

2. Garrard did not specify a date for implementing the increased rates to its customers.

3. During the 12 months ending July 31, 1989, Garrard purchased 140,643,400 gallons of water and sold 115,052,400 gallons.

4. Garrard's calculations are correct and show an increase in purchased water costs of \$11,213, resulting in a purchased water adjustment of \$.10 per 1,000 gallons of water.

5. Garrard sells water to water haulers through coin-operated loading stations which operate only on quarters. Therefore, the rate for this service must be divisible by 25, resulting in a greater increase for these customers than for other customers. This should be taken into consideration in future increases resulting from purchased water adjustments.

6. The rates proposed by Garrard and shown in Appendix A are fair, just, and reasonable and should be approved.

7. The tariff filed by Garrard is correct and should be approved as filed.

IT IS THEREFORE ORDERED that:

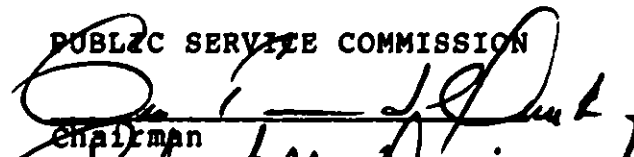
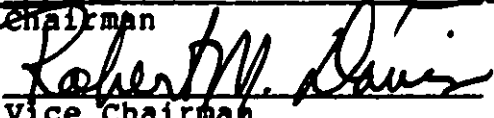
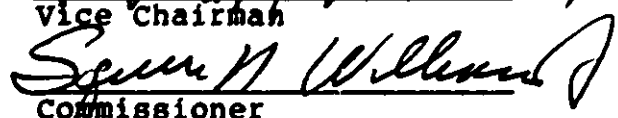
1. The purchased water adjustment of \$.10 per 1,000 gallons and the rates proposed by Garrard and shown in Appendix A, attached hereto and incorporated herein, are approved for services rendered on and after the date of this Order.

2. The tariff filed by Garrard is approved as filed.

3. Within 30 days of the date of this Order, Garrard shall file a copy of the notice to its customers and verification that such notice has been given.

Done at Frankfort, Kentucky, this 28th day of September, 1989.

ATTEST:

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 89-261 DATED 9/28/89

The following rates and charges are prescribed for the customers in the area served by Garrard County Water Association, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RESIDENTIAL, FARM, AND SMALL COMMERCIAL

5/8" x 3/4" Meter Schedule

First	1,000 gallons	\$8.05 Minimum Bill
Next	1,000 gallons	4.05 per 1,000 gallons
Next	1,000 gallons	3.05 per 1,000 gallons
Next	2,000 gallons	2.55 per 1,000 gallons
All Over	5,000 gallons	2.05 per 1,000 gallons

LARGE COMMERCIAL, DAIRY FARM, AND SCHOOL CONNECTIONS

1" Meter Schedule

First	5,000 gallons	\$20.25 Minimum Bill
All Over	5,000 gallons	2.05 per 1,000 gallons

1 1/2" Meter Schedule

First	10,000 gallons	\$30.50 Minimum Bill
All Over	10,000 gallons	2.05 per 1,000 gallons

2" Meter Schedule

First	25,000 gallons	\$61.25 Minimum Bill
All Over	25,000 gallons	2.05 per 1,000 gallons

BULK SALES

\$3.50 per 1,000 gallons